

Potential HB 5355 Impact

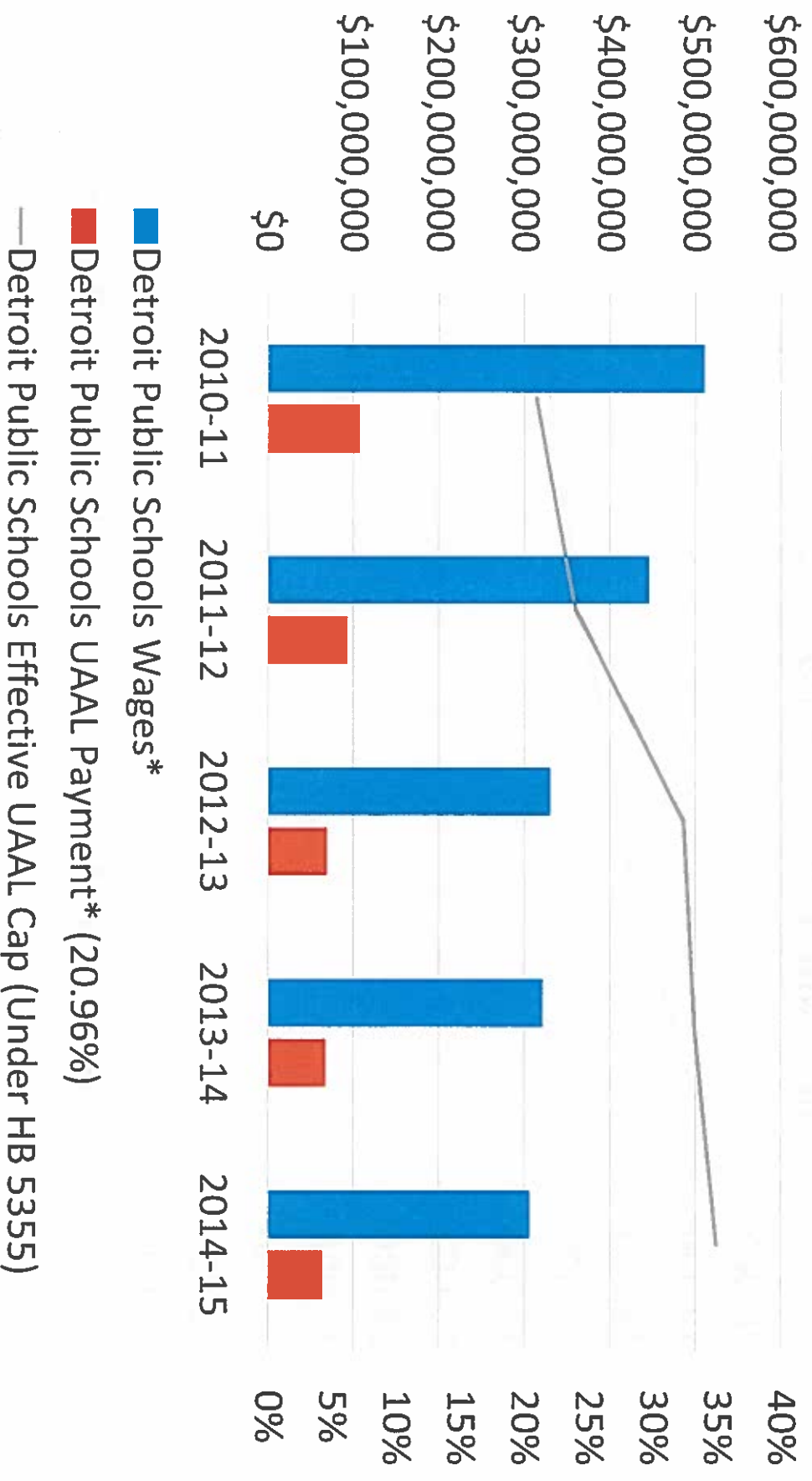
West Michigan Talent Triangle

Chris Glass, Director of Legislative Affairs

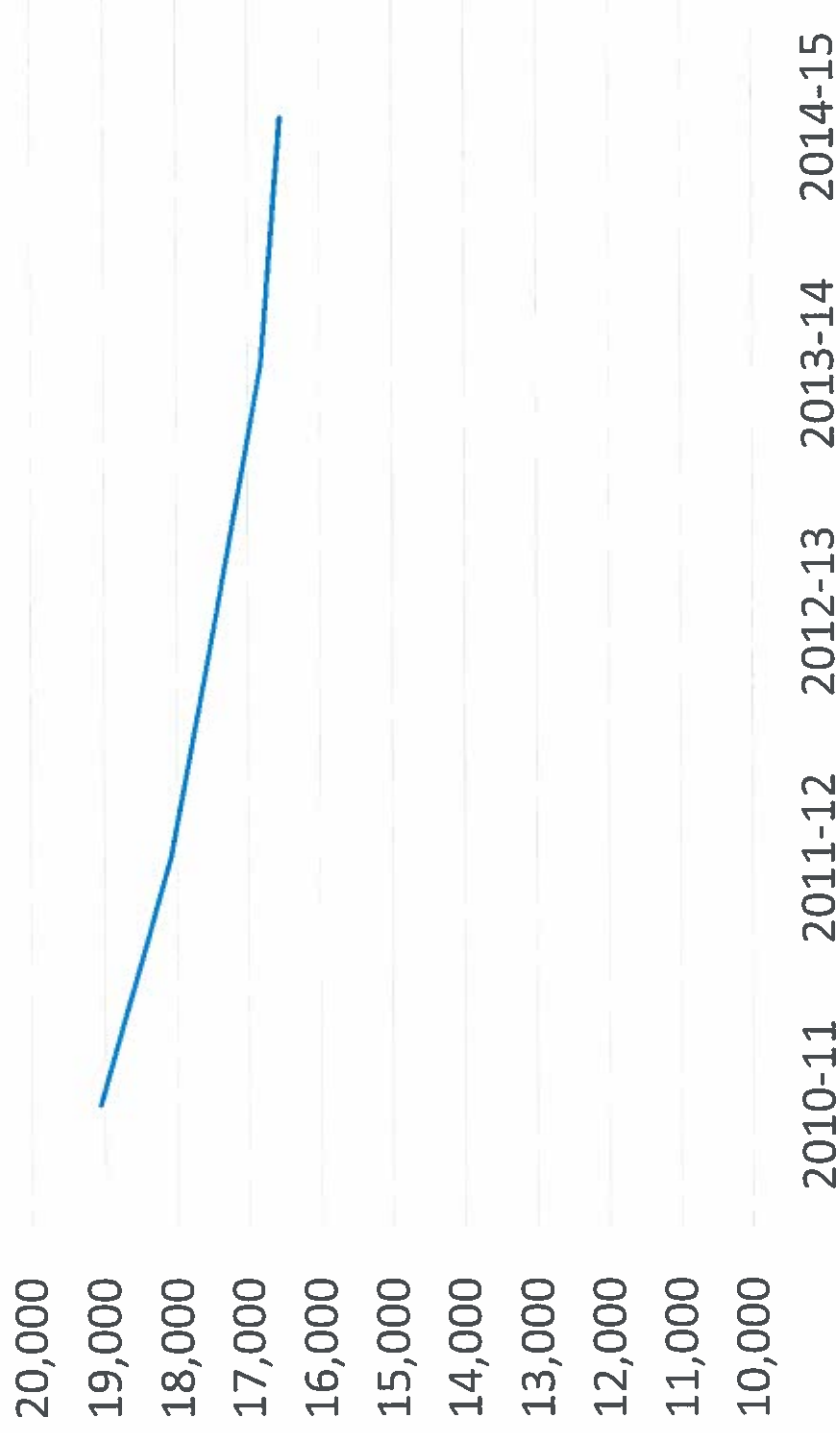
Detroit Public Schools (Enrollment)



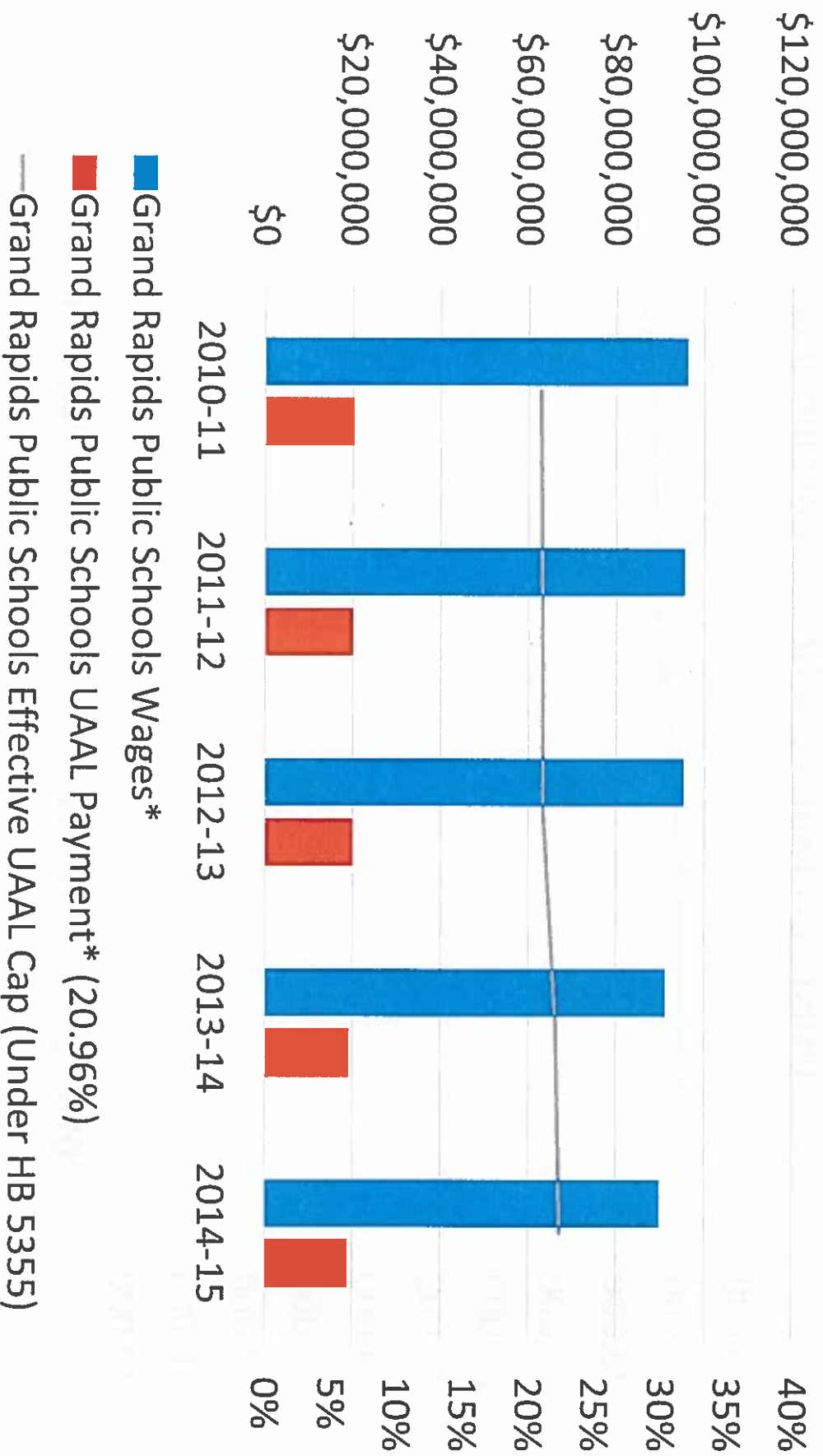
Detroit Public Schools (HB 5355 Impact)



Grand Rapids Public Schools (Enrollment)



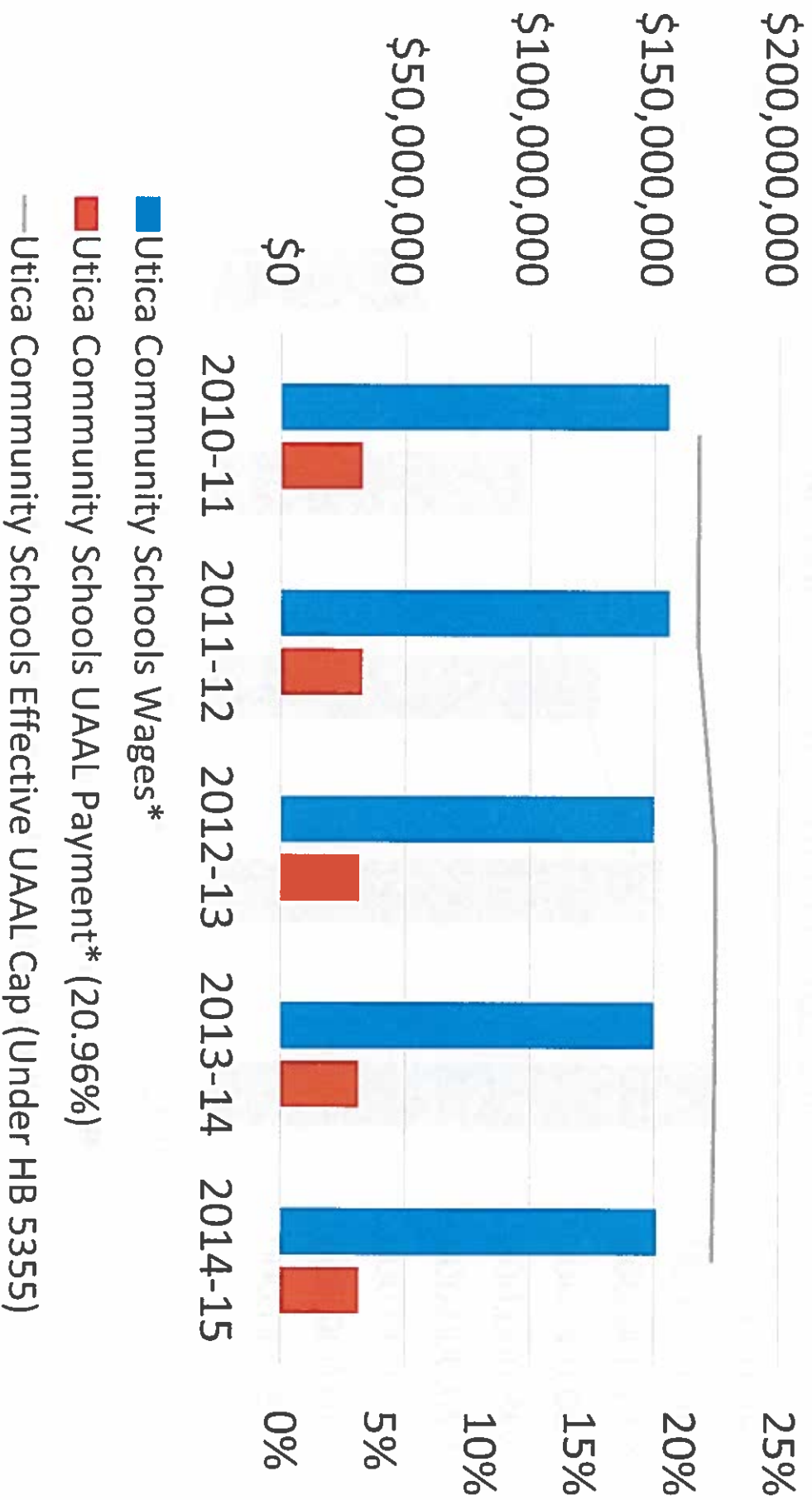
Grand Rapids Public Schools (HB 5355 Impact)



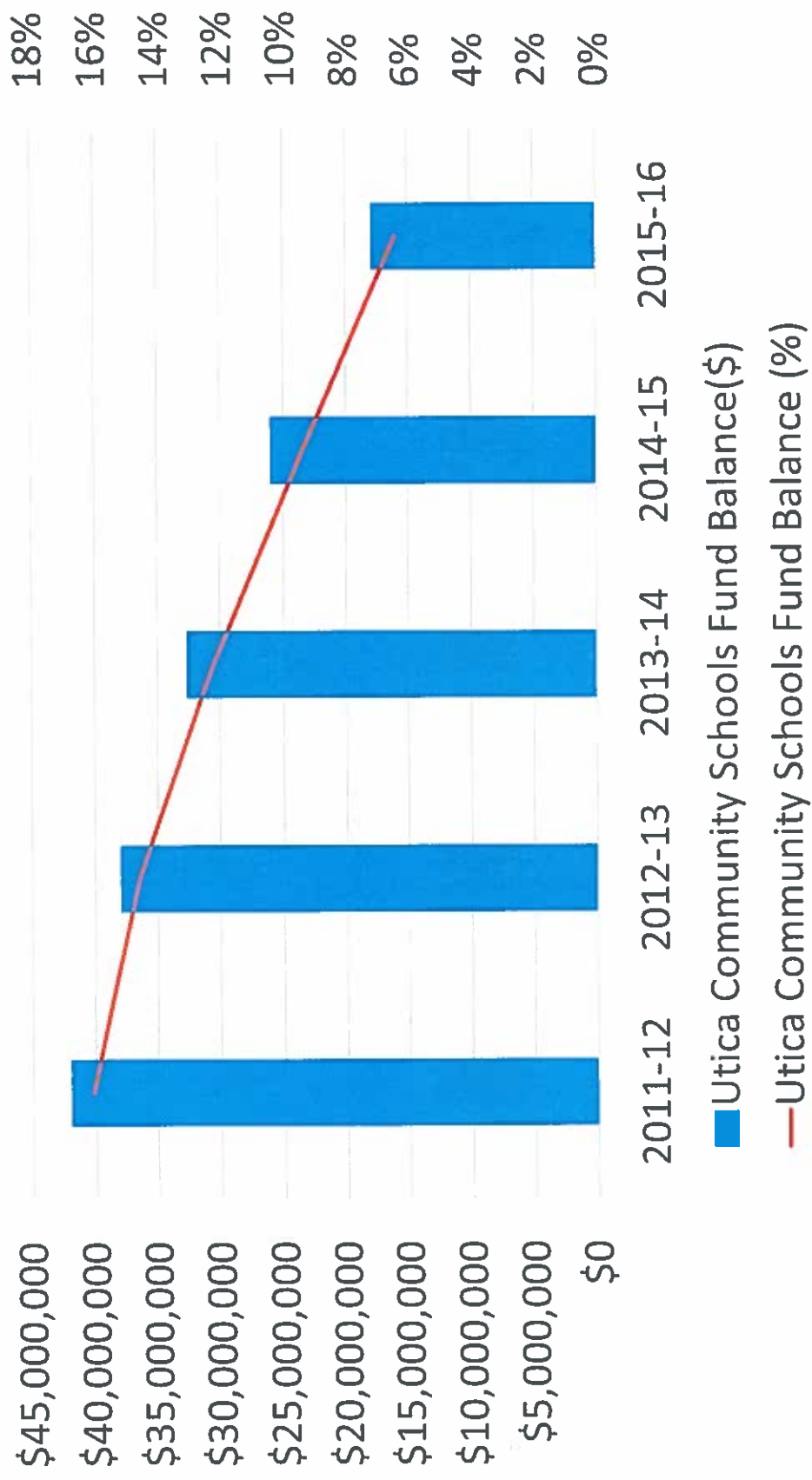
Utica Community Schools (Enrollment)



Utica Community Schools (HB 5355 Impact)



Utica Community Schools Fund Balance



Conclusions

- The “floor” provision contained in the introduced legislation artificially inflates districts retirement costs. This would be significant for declining enrollment districts and those who receive one-time funds (such as grants)
- Implementing as introduced will have the impact of negating the established 20.96% UAAL rate cap
- We encourage UAAL retirement costs to be paid as a direct expenditure out of the School Aid Fund (20.96% = \$1,300 per pupil)
- Doing so provides greater transparency to the foundation grant and the operational support those dollars provide

